COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SPRINGCREST SEWER)

COMPANY, INC. FOR TRANSFER OF THE) CASE NO. 95-289

EQUESTRIAN WOODS SEPTIC SYSTEM AND FOR)

THE ESTABLISHMENT OF INITIAL RATES)

ORDER

Springcrest Development, Ltd. filed an application with the Commission on June 30, 1995 requesting approval of the transfer of Equestrian Woods Septic System to Springcrest Sewer Company, Inc. ("Springcrest Sewer") and requesting that the Commission establish initial rates for sewer service.

The Commission suspended the proposed rates pursuant to KRS 278.190 and continued the transfer application beyond the 60 day period specified in KRS 278.020(5) pending a determination on the initial rates.

Members of the Equestrian Woods Homeowners Association requested and were granted full intervention in this case. A public hearing was held on November 8, 1995. All supplemental information requested at the public hearing has been provided.

The Commission has before it two questions to be addressed in this Order. The first question is whether the proposed transfer of the septic system to Springcrest Sewer should be approved; and, if the proposed transfer is approved, what initial rate for service should be established.